

**Illinois Department of Revenue  
Regulations**

<b>Title 86 Part 130 Section 130.321 Fuel Used by Air Common Carriers in International Flights</b>
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**TITLE 86: REVENUE  
PART 130  
RETAILERS' OCCUPATION TAX**

**Section 130.321 Fuel Used by Air Common Carriers in International Flights**

- a) Notwithstanding the fact that sales may be at retail, *fuel and petroleum products sold to or used by an air common carrier, certified by the carrier to be used for consumption, shipment or storage in the conduct of its business as an air common carrier, for a flight destined for or returning from a location or locations outside the United States without regard to previous or subsequent domestic stopovers* is exempt from tax. (Section 2-5 of the Act)
- b) An air common carrier means a commercial air common carrier certified and authorized to conduct international flights involving passengers or cargo for hire, on a regularly-scheduled basis.
- c) Flights destined for a destination outside the United States include flights which originate in Illinois or have a stopover in Illinois and which may have intermediate stops at other locations in the United States prior to arriving at the destination outside the United States. In such situations, all fuel loaded for such a flight shall be considered to be exempt, notwithstanding the fact that a portion of the fuel will be consumed within the United States. If a flight is loaded with exempt fuel for an intended international flight, but for some reason the flight stops at an intermediate location in the United States and does not continue to the foreign destination, the fuel will be taxable.
- d) In general, exempt international fuel shall be treated in the same manner as bonded fuel with respect to the sale, accountability and eligibility of tax exemption.
- e) Exempt international fuel may be commingled with other jet fuel within the hydrant systems at qualifying airports. However, accurate records must be maintained with respect to the purchaser, gallonage of fuel loaded, flight number, aircraft tail number, ultimate foreign destination and intermediate stops.

(Source: Amended at 24 Ill. Reg. 15104, effective October 2, 2000)